

**PENNS VALLEY REGIONAL PLANNING COMMISSION
MEETING MINUTES
March 19, 2018**

PRESENT:

Penns Valley Regional Planning Commission

Centre Hall	Chris Cooper and Bill Guisewhite
Gregg Township	Doug Bierly and Charles Stover
Haines Township	
Miles Township	Ron Hough
Millheim Borough	Lauralee Snyder
Penn Township	Bob Fox, Leroy Young and Dave Braucht
Potter Township	Jake Tanis

Other:

PA House	Representative Kerry Benninghoff
	Representative Michael Hanna
Senator Corman's Office	Brandy Reiter
	Matt Wise
Representative Benninghoff's Office	Mark Long
Representative Hanna's Office	Tammy Ammerman
Gregg Township Supervisor	Keri Miller
Potter Township Supervisor	Dennis Foust
Penns Valley EMS	Cindy Foust
Centre County Planning and Community Development Office	Linda Marshall

CALL TO ORDER

Mr. Fox, Vice Chair, called the March 19, 2018 meeting to order at 7:00 p.m. in the Chair's absence.

PUBLIC COMMENT

No public comment.

APPROVAL of MEETING NOTES

Mr. Fox called for additions or corrections to the January 15, 2018 meeting notes of the Penns Valley Regional Planning Commission. Mr. Bierly moved to approve the January 15, 2018 meeting notes, as written. Mr. Hough seconded the motion. The motion carried.

Treasurer Report

Ms. Cooper read the Treasurer's Report. She noted that there is a balance of \$195.00 with one invoice paid in the amount of \$52.73 for the 2018 Meeting Schedule Legal Ad. Mr. Young moved to approve the Treasurer's Report, as presented, and Mr. Bierly seconded the motion. The motion carried.

Secretary Report

No report

REPORTS:

The municipal reports were tabled until after the discussion on the Penns Valley EMS.

OLD BUSINESS

-Tri-Municipal Park and Recreation Committee

No report.

-Penns Valley EMS Discussion with Legislative Offices

Mr. Fox asked those present to introduce themselves.

Following the introductions, Mr. Fox provided historical information on the Penns Valley Emergency Medical Services (EMS). He explained that the Penns Valley EMS went out on their own in 1991. He noted that over the last five years there has been a decrease in the reimbursement rates for Medicare and Medicaid insurance, which has created a hardship for the service. Mr. Fox stated that the EMS needs to explore other avenues in an effort to make the service solvent.

Mr. Fox commented that one solution is the EIT (Earned Income Tax). He explained that Penn Township levies a 0.5 mill EIT, which is the maximum allowed. Mr. Fox calculated that 0.5 mill EIT is equal to 4.5 mills of real estate tax. He wants to try to avoid hammering the property owner.

Mr. Hough stated that another issue is that the insurance reimbursement check for some health insurance providers is sent directly to the insured instead of the EMS.

Mr. Hough followed up on Mr. Fox's comment stating that it is his preference to also consider taxing income earning residents instead of property owners.

Mr. Fox stated that the municipalities could consider an emergency services tax; however, the maximum is 0.5 mills. He commented that 0.5 millage rate is not enough to keep the service solvent.

Mr. Fox noted that the service now includes paid staff, which adds to the costs of operating the service.

Mr. Fox also commented that the Pennsylvania Tax Code is out dated and needs to be addressed.

It was noted that the EMS is debt free; however, it is a rural EMS and the services does not have a sufficient number of ambulance runs to cover its costs.

A discussion occurred on how much the Penns Valley municipalities budgeted for 2018 for the EMS. It was reported that the municipalities have approved or are considering an equivalent amount to a 0.5 mill tax or another amount. It was also noted that the Centre County Township Officials Association approved a resolution to increase the cap from 0.5 to 1.5 mills, which has been forwarded to the state association for consideration.

Mr. Bierly clarified that what the municipalities budgeted for 2018 is only a band aid. The Commission and other representatives concurred with that statement.

Mr. Braucht informed the Commission that the Penns Valley EMS has established an Auxiliary for the purpose of raising funds. The goal is to raise \$20,000.

Representative Hanna asked if an emergency services tax of 0.5 mills was levied would that not be enough revenue for the EMS. The Commission replied in the affirmative.

Mr. Fox noted that the EMS is solvent until May 2019.

Representative Hanna stated that the various solutions that have been discussed by the Commission have all been proposed at the state level, but the issue is what can get passed.

Representative Hanna asked about the Local Services Tax (LST). Mr. Bierly replied that the maximum tax allowed is \$52 a year per employee.

Mr. Bierly added that he learned that the LST is difficult to estimate and that DCED projects that the LST equals 20% of the EIT.

Referencing the resolution passed by the Centre County Township Officials Association, which will be considered at the PSATS Annual Convention in April 2019, Representative Hanna stated that an authorization to increase the limits of 0.5 mills to 1.5 on the property tax for emergency services would give the municipalities some flexibility.

Ms. Miller commented that the issue is the business model, noting that the regulations coming from the state increase the cost on the EMS.

Ms. Foust stated that if a patient refuses treatment then the EMS does not get paid if he or she is insured under Medicare. She added that if the patient accepts treatment then the service is reimbursed at the Medicare rate.

Mr. Long referred to HB 1013 and its companion legislation SB 1003, requiring insurance carriers to reimburse EMS for services dispatched by 911 when no transportation is initiated or the service provided medically necessary services. Another provision in the legislation is that managed care plans may not determine that the service was not medically necessary. Mr. Long noted that the House Bill passed in the House in May 2017 and was referred to the Senate Banking and Insurance Committee.

Mr. Long added that the Senate Bill is a priority for the Chair and that it received first consideration in December 2017.

Representative Hanna offered to double check on whether or not the legislation covers Medicare and Medicaid.

Ms. Reiter asked those present as to what is the percentage of patients who do not pay for the service. Ms. Foust replied that the EMS does take the non-payments before the District Justice. She added that the outstanding uncollected amount is \$140,000, which is a cumulative total over approximately a ten year period.

Mr. Bierly stated that he had collected a few statistics and noted that the average cost per call is \$754. He added that the average payment per patient is \$375, which leaves a deficit of \$379 per call.

Mr. Bierly commented that the only flaw that he is aware of is difficulty with collecting.

Ms. Foust responded to Mr. Bierly's comment by stating that the service utilized a collection agency in the past, but non-payments are now handled by their business manager and assisted by a constable. The EMS has had better success with managing the non-payments themselves.

Mr. Hough asked as to why the check is not sent directly to the EMS. It was noted that the Blues (Capital Blue Cross/Blue Shield) will not do so. Representative Hanna thought that the legislation addressed this matter.

Mr. Hanna asked if the EMS can bill the patient directly for the difference. Ms. Foust replied that Medicare dictates that the service cannot bill the patient directly.

Mr. Braucht referenced the memberships and explained that the membership makes up the difference between what the insurance does not cover and the bill. He added that the service had 2,500 members in the past and now the number has decreased to 1,500 due to insurance since some of the residents feel that the insurance covers the transport fee.

Mr. Young referenced levying a tax for the EMS and expressed a concern that the EMS may see a drop in memberships as a result.

Mr. Young asked if there is another tax option other levying a property tax.

Mr. Fox responded by stating that 1/10 of a percent of earned income tax would raise \$25,000 in Penn Township, which is over ½ mill for the township. He commented that EIT covers everyone.

Mr. Tanis stated that the eastern end of Penns Valley would be on their own, if the EMS dissolves. He noted that Potter Township could rely on Life Link, and Centre Hall could rely on Pleasant Gap. Mr. Fox responded to Mr. Tanis comment by stating that it is important to have a service in the region in order to save lives.

Mr. Braucht stated that it is his understanding that the municipalities would have to contract with another service, if the Penns Valley EMS dissolves. He commented that this would most certainly result in a significant increase in the cost to provide EMS services; however, the best option would be to keep our local EMS.

Mr. Braucht stated that the Penns Valley EMS is debt free and solvent.

Mr. Tanis had spoken with the Chief of the FAME EMS and was told that contracting with FAME would cost a lot more money.

Representative Hanna commented that changing the Earned Income Tax translates to property tax reform. He explained that the next rendition of reform will be in 2019.

Representative Benninghoff arrived at 7:30 p.m.

Mr. Braucht asked the legislators and legislative assistants if they have heard from other emergency medical services. The offices have heard from Bellefonte and Snow Shoe EMS.

Mr. Fox expressed the need for local tax reform in an effort to update the standards.

Representative Hanna replied that there was a bill that would allow for the reduction in property taxes by replacing it with other taxes in an effort to best meet local needs. The bill did not pass. He said that an option would be to give more flexibility to municipalities with an EIT or personal tax.

Representative Benninghoff informed the Commission that he commissioned a comprehensive study on the state tax code, which has been underway over the last eight or nine months. A report will be issued within the next two months. The study includes a comparison with other states. He cautioned that the outcome of the study will not be all rosy.

Representative Benninghoff stated that he has learned that some people move to our state to retire because Pennsylvania does not tax pensions. He noted that our state is 3rd largest oldest state so there are a lot of people retiring here, generating less tax dollars.

Representative Benninghoff gave a brief history of the occupation assessment tax, which was viewed as an unfair tax. He added that the LST was originally known as the EMS tax.

Representative Benninghoff has looked over the grant programs that were put in place since Governor Ridge. He noted that the initiatives were established as pilot programs; however, they were so popular that the grant programs have continued.

Representative Benninghoff commented that the issue of Medicare and Medicaid reimbursements seems to be the most crippling concern.

Representative Benninghoff stated that the citizens have to decide what they are willing to pay for.

Mr. Fox responded to Representative Benninghoff's comments by stating that the officials have expressed concerns about hammering the property owners.

Mr. Fox stated that $\frac{1}{2}$ of 1% on EIT equals 4.5 mills of property tax in Penn Township. He continued by stating that if you would go to .6 of EIT would generate \$25,000 in their township, which is over $\frac{1}{2}$ a mill.

Mr. Fox stated that Penn Township is already maxed out on how much the municipality can levy for earned income.

Representative Benninghoff asked those present if they would be interested in seeing the ability to raise $\frac{1}{2}$ percent.

Mr. Guisewhite added that the tax payers are already paying for local fire services through their property taxes.

Ms. Miller remarked that we always talk about raising taxes and not focusing on regulations, which is causing the increase in costs. She stated that they want to see the specific regulations that causing a raise in taxes addressed. Mr. Benninghoff asked Ms. Miller what specific regulations are the concern.

Ms. Miller replied the Medicare/Medicaid reimbursement rate is one example.

Mr. Braucht added that the service cannot afford to pay an EMT a livable wage; however, the certification for the EMT is \$1,000.

Representative Benninghoff referred to Ms. Miller's comments and stated that he also gets concerns about raising this and raising that.

Ms. Miller informed Representative Benninghoff that even the workers compensation payments made by the municipalities for the EMS are also tax dollars.

Mr. Fox stated the EMS is transitioning from an all-volunteer service to paid personnel and that personnel is the most expensive line item in a budget.

Ms. Miller added that the Penns Valley EMS does not have a paramedic on staff.

Representative Benninghoff asked if the Penns Valley Region has been affected by the opioid crisis, and he added that he has heard that it costs \$1,000 to administer Narcan, which is not reimbursed.

Mr. Braucht replied that it is not that much of an issue at this time.

Representative Hanna stated that he will look into getting legislation drafted on increasing the EIT limit.

Representatives Benninghoff and Hanna explained the possibility of getting buy-in in Harrisburg for an increase in the EIT and that it would need to be part of a package that would offer flexibility for offsetting taxes or for a restrictive use.

Representative Hanna stated that adding EIT to the discussion will not be easy, but it should be part of the debate.

Representative Benninghoff asked the officials if their voters would support a tax referendum.

Mr. Fox replied that the taxpayers will not support a referendum.

Mr. Braucht stated that they have worked on educating the residents and businesses in the region on the issues facing the region's EMS. He hopes that if a referendum were to be placed on the ballot that the education process would help the residents understand the reason behind it.

Representative Benninghoff suggested that part of the education needs to include what will happen if the service needs to go to all paid personnel.

Mr. Guisewhite stated that the Amish community is behind the EMS.

Mr. Young stated that one of the problems is the lack of education. He commented that he had no idea of the problem until he became an elected official.

Representative Benninghoff stated that he would appreciate knowing the return rate on membership applications that are provided to the area's residents and business owners.

Mr. Braucht replied that out of 5,000 mailings there are 1,500 memberships. He stated that if they could receive 3,000 memberships that it would help the EMS' financial situation.

Mr. Tanis supports the EIT option. He added that he has had conversations with the Amish in the region. The persons he spoke with support the EIT as a preferred option. It was noted that the fire tax is on the property, which makes sense for fire protection, but not for EMS.

Ms. Marshall added that she has heard that it would be beneficial if the EMS would accept payments for the memberships. Ms. Foust replied that it is now an option as well as paying through PayPal. Ms. Marshall also mentioned that another concern raised was the timing of the subscription mailing in October, which is close to the time that the taxes are due. Ms. Foust responded by stating that the EMS can look into that.

Representative Hanna mentioned that he sends out email newsletters on certain subjects to the constituents of the 76th District. He offered to dedicate his next newsletter to the issues facing local emergency medical services in an effort to help educate his constituents.

Mr. Young suggested that the region needs to know how much the EMS personnel are earning on an hourly basis. He commented that he was shocked when he learned how low the hourly rate is.

Mr. Fox added to Mr. Young's comment by stating that a person could work for Sheetz and make more money than working for the EMS.

Ms. Reiter asked if they are able to work with the school district to help educate the region and also try to tap into that age bracket.

Mr. Fox mentioned the information that was published in the Grapevine.

Representative Hanna asked for a copy of the Grapevine information that was recently published.

Referencing the discussion on legislative proposals on local taxes, Ms. Cooper asked as to what time frame are the legislators talking about for legislative change.

Representative Benninghoff stated that the legislative session ends in November and anticipates that the matter will be addressed in the next session.

Representative Hanna stated that he does not expect anything to happen this year, but he thinks that it will happen next year since EMS is not the only issue. He remarked that it has got to come to a head, and there has to be some form of tax reform. Representative Hanna honestly believes and that something will be done in the next two year session maybe as soon as July 2019.

Ms. Cooper commented that it is very long term issue, but that they need to also look short term. She stated they can't wait until there is a crisis.

Representative Hanna replied that it is not unrealistic that the General Assembly can get the insurance issue addressed, which would be of some help.

Mr. Young asked about the low reimbursement rates under Medicare and asked if anything can be done.

Representative Benninghoff replied that there are other organizations dealing with the same concern.

Mr. Young asked as to what is the basis for Medicare paying only 60% of the bill.

Representative Hanna replied that what the federal government will tell you is that they are entitled to a discount since they are the largest health care provider. He added that the federal legislators need to address this with the President.

Representative Benninghoff responded by stating that Pennsylvania has similar problems with Medicaid. He noted that the Medicaid roles have expanded.

Representative Hanna commented that a service is better off receiving a reimbursement of 60% of the cost instead of having a patient with no insurance, if the Medicaid rolls are reduced. He stated that it would be beneficial to engage the federal legislators in this discussion.

Ms. Miller asked if letters of support from the municipalities for legislation previously discussed would be helpful. The legislators and legislative assistants replied in the affirmative.

Ms. Reiter explained where an electronic version of the legislation can be found on the state's website.

Ms. Marshall informed those present that Representative Thompson's office was also invited to the meeting as per the Commission's request; however, no one was available to attend. The office did ask for any meeting notes so that the Congressman can take the officials concerns to Washington D.C.

Representative Benninghoff asked as to what has happened with the Local Services Tax (LST), allowing to up to \$52 per taxpayer to be levied. The region's municipalities have not voted on a Local Services Tax.

Representative Benninghoff stated that the citizens need to understand the consequences, if the EMS dissolves. He continued by stating that the point of ambulance is about triaging services in the field for the sole purpose of saving lives. He commented that it frustrating to learn about the level of participation in the EMS service memberships and that it is disappointing.

Mr. Long noted that if every box holder paid \$19 that it may cover their costs.

Mr. Bierly stated that it is his understanding that the LST is collected by the employer, which takes the onus off of the municipalities. He commented that the problem is estimating how much revenue the tax would generate for the municipality.

A discussion occurred on the number of employees and employers in the region. Ms. Marshall referred the Commission to the Draft Demographics Chapter for data on jobs and work places.

Representative Benninghoff referred to EMS/fire grant funding awarded by the state to the local services and asked if the municipalities ever receive an account as to how those funds are utilized. The officials did not have specific information on how the grant funds are utilized.

Mr. Fox stated that Penn Township receives a budget from the Millheim Fire Company on annual basis.

Mr. Fox thanked the legislators and legislative assistants on behalf of the Commission. Representative Benninghoff reminded the officials that if they are not available their staff is.

Mr. Hough asked Representative Hanna about licensing buggies. Representative Hanna replied that the legislation gets introduced; however, it gets blocked by PennDOT due to constitutional concerns with respect to church and state. Representative Hanna believes that PennDOT is incorrect since the intent of the legislations is only to regulate registration of vehicles on the highway. Representative Hanna concluded by stating that he has not given up on it.

Mr. Hough added that there should be an age restriction on driving buggies. Representative Hanna agreed to look at the safety aspect of the age limit.

-Update on the Regional Comprehensive Plan-Demographics

Ms. Marshall asked that the Commission members to review the Draft Demographics Chapter in preparation for the April 16th meeting.

NEW BUSINESS

No new business was considered by the Commission.

REPORTS:

Centre Hall Borough

No report. The Borough continues to address issues in regard to the Penns Valley EMS>

Gregg

No report

Haines Township

No representatives were present.

Miles

No report

Millheim

No report The Borough will be working on a weed ordinance for the summer.

Penn Township

It was reported that drilling underneath Penns Creek is still taking place as part of the water line project in Hartertown.

Potter Township

The sewer project in Potters Mills will be starting soon.

INFORMATION ITEMS

-Haines-Aaronsburg Municipal Authority's Grant Application CCPCDO Consistency Review Letter

-Centre County MPO Summary Report-February 2018

-Guidelines for Maintaining Streams in Your Community, PA Department of Environmental Protection

FOR GOOD OF THE ORDER

No other items were considered by the Commission.

ADJOURNMENT

With no further business, Mr. Tanis moved to adjourn the March 19, 2018 meeting of the Penns Valley Regional Planning Commission at 8:38 p.m. Mr. Young seconded the motion. The motion carried.